VZCZCXRO9536 PP RUEHTRO DE RUEHTU #0865/01 1801249 ZNY CCCCC ZZH P 291249Z JUN 07 FM AMEMBASSY TUNIS TO RUEHC/SECSTATE WASHDC PRIORITY 3436 INFO RUEHAD/AMEMBASSY ABU DHABI PRIORITY 0898 RUEHAS/AMEMBASSY ALGIERS PRIORITY 7494 RUEHLO/AMEMBASSY LONDON PRIORITY 1309 RUEHNK/AMEMBASSY NOUAKCHOTT PRIORITY 0886 RUEHFR/AMEMBASSY PARIS PRIORITY 1781 RUEHRB/AMEMBASSY RABAT PRIORITY 8404 RUEHTRO/AMEMBASSY TRIPOLI PRIORITY 0106 RUEHCL/AMCONSUL CASABLANCA PRIORITY 4108 RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY

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STATE FOR NEA/MAG (HOPKINS AND HARRIS), NEA/PI (FRANCESKI) STATE PASS USTR (BELL), USPTO (ADLIN AND ADAMS), USAID (MCCLOUD) USDOC FOR ITA/MAC/ONE (NATHAN MASON), ADVOCACY CTR (JAMES), AND CLDP (TEJTEL AND MCMANUS) CASABLANCA FOR FCS (ORTIZ) LONDON AND PARIS FOR NEA WATCHER

E.O. 12958: DECL: 06/29/2017 TAGS: ETRD BEXP EINV TS

SUBJECT: TUNISIAN-AMERICAN CHAMBER ELECTS NEW BOARD

Classified By: Ambassador Robert F. Godec for Reasons 1.4(b) and (d).

11. (SBU) SUMMARY: At the June 28 Tunisian-American Chamber of Commerce (TACC) General Assembly meeting, the TACC membership elected a new board with equal Tunisian and American company representation. The election itself was notable, marking the first time in many years that there were more candidates than positions. Additionally, TACC President, and founder, Moncef Barouni relinquished the presidency after 17 years in the position. END SUMMARY.

President for Life?

12. (C) At the June 28 Tunisian-American Chamber of Commerce General Assembly, President, and founder, Moncef Barouni presided over the first TACC board election in many years. Although technically the president, and other officer positions, are selected by the TACC board, the results have often been predetermined. TACC Executive Director Rafla Mrabet noted that in previous years they did not have enough candidates for the board and had to cajole people into participating. The TACC presidency has been held by founder Moncef Barouni for the 17-years since its inception, and it appeared that Barouni might remain "president for life." Barouni recently told the Ambassador that he would step down as President in order to focus on his presidency of the Tunisian-American Friendship Association (TAFA). At today's election he chose not to submit a candidacy for the board, though he will likely retain an honorary title in the organization.

Ballots Are Cast

13. (SBU) 20 Tunisian companies and 10 American companies stood for election for a two-year term on the (formerly) 12-member board. Yet, the election was nearly thwarted by Barouni's suggestion that all 30 candidatures be retained and

that these 30 designate a 12-member executive steering committee. The motion, proposed and seconded by several members, created a stir in the audience. One outspoken member stated that there hadn't been an election in the Tunisian-French Chamber in over 20 years. He insisted, shaking his clenched fist, "I came here for democracy! I want to vote!" This motion failed, though the membership unanimously approved a motion to enlarge the board to 20 members, retaining all 10 American company candidacies and voting for 10 Tunisian representatives. According to Barouni, TACC's decision to have equal Tunisian and American company participation results from recent encouragement from the Ambassador, as well as a desire to form a more formal partnership with the American Chamber of Commerce. (NOTE: Ambassador Godec and Tunisian Ambassador to Washington Mohamed Nejib Hachana are ex-officio members of the board. END NOTE.)

14. (C) The novelty of the election drew a sizeable and energetic crowd eager to cast their votes, but also unaware of basic voting procedures. In an admirable display of transparency, the votes were cast anonymously and counted by two non-voting members, including EconOff. In the end, many former members were re-elected, including Mondher Ben Ayed (rumored to have close connections to President Ben Ali) and Slim Zarrouk (Ben Ali's son-in-law). Yet the decision to maintain parity between the Tunisian and American company representatives, and the larger than normal number of American companies presenting candidacies, drastically altered the board's composition.

New Leadership

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15. (C) The imminent change in the TACC presidency represents a complete shake-up in TACC's leadership in 2007. In April, Rafla Mrabet, a former Ministry of Foreign Affairs official, assumed the executive directorship, replacing the friendly, but not always effective, Abdelhafidh Chaibi. Although the next president will be selected by the newly elected board at their first meeting on July 3, one member attempted to circumvent the process by nominating Mondher Ben Ayed for president, indicating that the backroom dealing for the presidency may already have taken place.

Comment

 $\P6$ . (C) Although this may have been a small taste of democracy for the TACC membership, it represents a significant departure for an organization that has mirrored the GOT's own opaque style of governance. Though his successor has not yet been selected, the end of Barouni's 17-year presidency will hopefully energize the often moribund organization. The sizeable presence of American company representatives also marks a positive change that is likely alter the orientation of the group to the benefit US business interests. It also marks a measure of success for the Embassy's recent campaign to secure greater US corporate representation on the board, more transparency in TACC operations and more action from the organization. All of the recent changes in TACC may also signal a GOT desire -- perhaps at the highest levels -- to have a more active, and effective, partner in increasing trade and investment with the United States. END COMMENT. GODEC